

## Listening to our stakeholders

Listening, engaging and partnering with stakeholders helps us to address our business impacts and improve outcomes for customers, society and the environment. Below is a summary of stakeholder groups and the main issues raised during 2019.

Stakeholder	Ways we engage	Main issues raised in 2019	Example outcomes from engagement in 2019
Customers	<ul style="list-style-type: none"> <li>Webchat for personal customers</li> <li>Bankline for business and commercial customers</li> <li>Video banking telephony &amp; secure messaging</li> <li>Face-to-face via branches, mobile branches, Community Bankers, Business Growth Enablers</li> <li>Customer surveys including Net Promoter Score, syndicated surveys, focus groups</li> <li>Closed loop feedback</li> <li>Complaints</li> <li>Twitter</li> <li>Facebook</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction and trust</li> <li>Lending</li> <li>Lending fees and charges</li> <li>Supporting businesses</li> <li>Handling SMEs in distress</li> <li>Accessible banking</li> <li>Technology transformation</li> <li>Security &amp; fraud</li> <li>Alleged packaged account mis-selling</li> <li>PPI</li> </ul>	<p>Alison Rose held her first customer listening event as CEO. She heard from a group of 12 Personal Banking customers on how they manage their money and committed to doing more sessions with different groups of customers to hear how we can continue to improve our services and support them.</p> <p>We are the only bank to have Community Bankers – they remain in the community when a branch closes and get to know our customers – just like the traditional Bank Manager. They help customers with their individual financial goals and support communities to be safe and secure when managing their money.</p> <p>Our @NatWest_Help has 112k followers in 2019 and continues to be used as a channel to communicate how to protect against fraud and scams, and tips for making the most of our app.</p>
NGOs	<ul style="list-style-type: none"> <li>Face-to-face/telephone Meetings</li> <li>AGM engagement</li> <li>Engaging with/responding to campaigns</li> <li>Social media monitoring/engagement</li> <li>Subscribing to membership organisations</li> <li>Email/Letter correspondence</li> <li>ESG surveys</li> </ul>	<ul style="list-style-type: none"> <li>Climate change</li> <li>Renewable energy</li> <li>Financing fossil fuels and nuclear weapons</li> <li>Environment and nature</li> <li>Human Rights</li> <li>Modern Slavery</li> <li>Sustainable Development Goals</li> <li>Transparency</li> <li>Purpose</li> </ul>	<p>Published our third annual Modern Slavery Act (MSA).</p> <p>Published our second disclosure on our progress towards meeting the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.</p> <p>Committed to all three of The Climate Group initiatives (RE100, EV100, EP100).</p>

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Consumer Groups	<p>Engagement sessions and dinners</p> <p>Round tables and representation at financial sector membership groups</p> <p>Sponsoring/attending conferences</p> <p>Meetings with CEOs/policy makers</p> <p>Party conference fringe events</p> <p>Guest blogs from consumer groups on RBS.com</p>	<p>Fraud and scams</p> <p>Cyber security</p> <p>Financial capability</p> <p>Financial inclusion</p> <p>Customers in vulnerable situations</p> <p>Gambling</p> <p>Financial Abuse</p> <p>Consumer credit and debt</p> <p>Household finances</p> <p>Overdraft charges</p> <p>Lending fees</p> <p>Breathing space</p> <p>Branch closures</p> <p>PPI</p>	<p>Maintained our support of Friends Against Scams.</p> <p>Established a partnership with UK domestic abuse charity, SafeLives, to review and improve our support to customers who are affected by financial abuse.</p> <p>Launched pilot scheme with GamCare to offer support to both customers and non-customers impacted by gambling related harm, including offering consultation space in 13 branches in London and South East.</p> <p>An RBS representative joined the newly established Gambling Related Financial Harm Advisory Panel.</p> <p>NatWest sponsored the Centre for Responsible Credit's flagship Conference.</p>
Academics/Think Tanks	<p>Membership of organisations including BiTC, Institute of Business Ethics</p> <p>Attending seminars and conferences</p> <p>Supporting research</p> <p>Consulting on strategy</p>	<p>Climate risks</p> <p>Sustainable Development Goals</p> <p>Circular Economy</p> <p>Ethics</p> <p>Purpose</p> <p>Corporate governance</p>	<p>Hosted the Global Ethical Finance Conference for the 3rd year.</p> <p>Became a founding signatory to the UNEPFI Principles for Responsible Banking.</p> <p>Member of the Banking Environment Initiative (BEI) and also a member of their Soft Commodities Compact.</p>
Journalists & Social Media Influencers	<p>Background briefings</p> <p>On the record print interviews</p> <p>Broadcast interviews</p> <p>Media roundtables</p> <p>Media receptions</p>	<p>Access to cash</p> <p>IT incidents</p> <p>CEO succession</p> <p>Innovation</p> <p>Environmental issues</p> <p>PPI</p> <p>Frauds and scams</p> <p>Brexit</p> <p>Customer service</p> <p>Supporting the UK economy</p>	<p>An average of 1000 articles written on the bank each month.</p> <p>We supported more than 450 proactive journalist engagements over the year.</p> <p>Populus survey results show RBS engages with journalists more than any other bank.</p>

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Politicians/ Governments	<p>Regular interactions</p> <p>Political stakeholder briefings</p> <p>Industry conferences and forums</p> <p>Policy trend analysis</p> <p>Engage in polling</p> <p>Respond to consultation papers</p>	<p>Branch closures</p> <p>Brexit</p> <p>Cyber security</p> <p>Financial capability and inclusion</p> <p>SME lending</p> <p>Women in Business</p> <p>Entrepreneur Accelerator Hubs</p> <p>Housing</p> <p>Macro-political</p>	<p>New initiatives including the launch of 'Back Her Business' shared with politicians.</p> <p>Connected politicians with local businesses by sharing success stories of customers that have received development loans. MPs/MSPs/AMs (Wales) were made aware of the positive impact this had on turnover, employment and quality of services in their area.</p> <p>32 constituency lunches hosted around the UK with politicians, local influencers and customers outlining our support to the local economy and community.</p>
Agencies/Bodies	Engagement with Confederation of Business Industry, Federation of Small Businesses, British Chambers of Commerce, UK Finance	As above	Through a variety of interactions, we work with individual bodies to ensure best practice is shared, where appropriate, to ensure great outcomes for our customers.

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Regulators	<p>Monitoring regulatory change</p> <p>Engaging with regulatory consultations</p> <p>Compliance with regulatory changes</p>	<p>Brexit</p> <p>Climate change</p> <p>Operational resilience</p> <p>Alternative risk free reference rates (to replace LIBOR)</p> <p>Payments Retail banking</p> <p>Access to cash</p> <p>Consumer credit</p> <p>Business growth</p> <p>Cyber-security</p> <p>Credit risk</p> <p>Culture and behaviour</p> <p>Capital adequacy</p> <p>Senior managers and certification regimes</p> <p>Bank structural reform implementation</p> <p>Historical conduct issues</p> <p>State Aid commitment</p> <p>Bank strategy</p> <p>Pension contributions</p> <p>Payment Services</p> <p>Regulator – Authorised Push Payments (APP) super complaint</p> <p>Markets in Financial Instruments Directive and Markets in Financial Regulation (MiFID II/MiFIR)</p> <p>Regulatory reporting</p>	<p>RBS sent 36 bilateral responses to consultations or other requests for comment/input issued by various government, regulatory and standard setting bodies during 2019. The bank also contributed to a number of comments from trade associations.</p> <p>In addition the bank engaged with regulators during the policy proposal phase on a number of occasions to help inform priorities – examples included climate change and operational resilience, both of which are being considered in new ways.</p> <p>RBS continued to engage with policymakers in the UK and EU on the future regulatory framework, including the implications for market access after the UK leaves the EU.</p> <p>RBS Chaired the UK Finance Cash Group, which is an industry-wide working group set up to proactively address Access to Cash concerns.</p>

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Colleagues	<p>External benchmarking including Banking Standards Board</p> <p>Team meetings/Town halls/Colleague audios/Webinars</p> <p>Workplace (our social media platform)</p> <p>Colleague Advisory Panel</p> <p>Employee Led Networks</p> <p>Our bi-annual census survey, OurView</p> <p>Communications channel metrics</p> <p>LOV nominations</p>	<p>Tools and resources to do the job well</p> <p>Clarity of direction</p> <p>Consistency of colleague experience</p>	<p>Almost 58,000 colleagues completed our most recent opinion survey (Our View).</p> <p>Key measures of engagement, culture and leadership have improved significantly year on year and we're above the global financial services norms in all comparable survey categories.</p> <p>The strengthening of our culture was also echoed in this year's improved Banking Standards Board assessment.</p> <p>The RBS Group has been recognised for work on Equality, Diversity and Inclusion in 2019 by retaining position in the Times Top 50 Employers for Women; being recognised again as a Top 10 Employer for Working Families; being Exemplary Level in the Scottish Carer Positive Campaign; being a Top Global Stonewall employer; being a Top Ten Employer in the Investing in Ethnicity Maturity Matrix; and rated as Gold in the Business Disability Forum benchmark.</p> <p>We continue to support our c.20,000- strong colleague led networks.</p> <p>Our Colleague Advisory Panel is established as an additional, and direct channel for the Board to hear employee views.</p>
Suppliers	<p>Regular reviews with key suppliers</p> <p>Audit reviews</p> <p>Annual benchmarking survey</p>	<p>Being simpler to do business with efficient and effective on-boarding of FinTech companies</p> <p>Innovation</p> <p>Supplier sustainability</p> <p>Timely payment</p>	<p>We have seen growth in the number of invoices processed through our electronic invoicing solution. In the UK and ROI, 93% of invoices went through the system, and 99% of payments were made on time.</p> <p>We have embedded electronic contract signatures simplifying the contracting process by removing the need to print out physical copies of the contract for signature.</p> <p>An Innovation Supply Chain team has been established to support the Groups innovation agenda.</p> <p>In 2019, we enhanced the requirements of the Supplier Code of Conduct (SCoC).</p>

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Partners	<p>Supporting our community partners and charities through:</p> <ul style="list-style-type: none"> <li>• Payroll giving</li> <li>• Community Cashback</li> <li>• Employee fundraising</li> <li>• Employee volunteering</li> <li>• Rewards &amp; ATM Giving</li> <li>• Disaster &amp; emergency appeals</li> <li>• Entrepreneur Accelerator Hubs</li> <li>• Employee mentoring</li> </ul>	<p>Requests to raise awareness of charity and enable employee volunteering and fundraising opportunities</p> <p>Support with customer giving</p> <p>International aid &amp; disasters</p> <p>UK disasters &amp; emergencies</p> <p>Enterprise – start ups</p> <p>Financial capability</p> <p>Young people and employability</p> <p>Conservation</p>	<p>Over £4.3m donated to charity.</p> <p>Over 90,000 volunteering hours during worktime.</p> <p>90,000 young people received financial education through MoneySense workshops in schools.</p> <p>3,556 employees claimed a cashback award in 2019 resulting in £889,000 being received by charities.</p> <p>6,300 employees in the UK, Ireland and India donated £1,887,855 to charities through payroll giving. We received the Gold Quality Mark for the UK scheme.</p> <p>With our Reward Accounts, customers can donate their Rewards to ten different charities: Alzheimer’s Society, Barnardo’s, British Heart Foundation, Cancer Research UK, Macmillan, NSPCC, The Prince’s Trust, RNIB, The Disasters Emergency Committee and Sport Relief.</p> <p>In 2019, we facilitated donations of £266,590 through the Reward Account.</p> <p>We remained the only bank to offer ATM giving to anyone with a LINK ATM card. A total of 26 charities benefit from this scheme, including RNIB, Oxfam, RSPCA and Cancer Research UK. In 2019, £118,606 was donated through the scheme.</p> <p>In 2019, we supported the Disasters Emergency Committee (DEC) Cyclone Idai Appeal raising £111,111 through our employees and customers.</p>

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Retail Shareholders	<p>AGM</p> <p>Regional shareholder events</p> <p>Communications of annual strategic report</p>	<p>Branch closures</p> <p>Government ownership</p> <p>Dividends</p> <p>Business Performance</p>	<p>In 2019 we held a further two shareholder events. One took place in London and the other was a virtual event which allowed shareholders to join by webcast or conference call. The events gave shareholders the opportunity to engage with our Board. Feedback was positive and we plan to hold more events in 2020.</p>
Mainstream Investors	<p>Investor relations briefings</p> <p>Investor road shows</p> <p>Fireside chats</p> <p>Results presentations</p> <p>Regular engagement with UK Government Investments</p>	<p>Capital distributions</p> <p>Business performance</p> <p>Further cost take out potential</p> <p>Journey to digitalisation</p> <p>New CEO appointment</p> <p>Focus on lower returning businesses</p>	<p>The total number of investors met with in 2019 was 577.</p> <p>We have an extensive Investor engagement programme involving both the Senior Execs but also Divisional CEOs and other specialists from relevant areas of interest/businesses that are key drivers of our investment case (i.e. mortgages).</p> <p>Feedback from investor engagement is provided to the Board for consideration in its decision-making process.</p>
Socially Responsible Investors (SRIs)	<p>Publication of our Green, Social and Sustainable (“GSS”) Bond Framework to facilitate GSS bond issuance</p> <p>Roadshow across UK and Europe, engaging with investors with representation from IR, Sustainable Banking and Treasury</p> <p>Issuance of our inaugural €750m Social Bond, demonstrating commitment to SMEs in most deprived parts of UK</p>	<p>Our commitment to becoming more sustainable</p> <p>Supporting our customers’ transition to a low-carbon economy</p> <p>Addressing regional inequality</p>	<p>In 2019, we met with 49 ESG investors.</p> <p>Established Green, Social and Sustainable Bond issuance capability.</p> <p>Diversified our investor base to include ESG focused investors and funds.</p>